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San Jose

10 UNITED STATES DISTRICT COURT  
11 NORTHERN DISTRICT OF CALIFORNIA  
12 SAN JOSE DIVISION

13 SECURITIES AND EXCHANGE  
14 COMMISSION,

15 Plaintiff,

16 vs.

17 SMALL BUSINESS CAPITAL CORP.; MARK  
FEATHERS; INVESTORS PRIME FUND,  
18 LLC; and SBC PORTFOLIO FUND, LCC,

19 Defendants.

Case No. C V 12 - 03237 EJD  
EX PARTE APPLICATION FOR  
TEMPORARY RESTRAINING ORDER  
AND ORDER TO SHOW CAUSE

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**UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA  
SAN JOSE DIVISION**

## SECURITIES AND EXCHANGE COMMISSION,

**Case No.**

**Plaintiff,**

VS.

SMALL BUSINESS CAPITAL CORP.; MARK FEATHERS; INVESTORS PRIME FUND, LLC; and SBC PORTFOLIO FUND, LCC,

***EX PARTE APPLICATION FOR  
TEMPORARY RESTRAINING ORDER  
AND ORDER TO SHOW CAUSE***

### Defendants.

1 Plaintiff Securities and Exchange Commission (“Commission”) applies for a  
2 temporary restraining order prohibiting defendants Mark Feathers, Small Business Capital Corp.  
3 (“SB Capital”), Investors Prime Fund, LLC (“IPF”), and SBC Portfolio Fund, LLC (“SPF”) from  
4 committing violations of various antifraud provisions of the federal securities laws, for orders  
5 freezing assets, appointing a temporary receiver over SB Capital, IPF and SPF, requiring  
6 accountings, prohibiting the destruction of documents, and granting expedited discovery. In  
7 addition, the Commission applies for an Order to Show Cause Re Preliminary Injunction and  
8 Appointment of a Permanent Receiver.

9 As detailed in the accompanying papers, this matter involves a scheme to defraud  
10 investors in two Funds managed by Feathers and SB Capital. The Commission requests the  
11 immediate assistance of the Court to prevent on-going violations of the federal securities laws  
12 and to prevent the further dissipation of investor funds obtained by the defendants.

13 The Commission makes this Application pursuant to Rule 65(b) of the Federal Rules of  
14 Civil Procedure and Local Rules 7-10 and 65-1. The Commission is authorized to make this  
15 application and the Court is authorized to grant a temporary injunction or restraining order and  
16 other equitable relief, without bond, pursuant to 15 U.S.C. §§ 77t(a), 78u(d)(1), and 80b-14.

17 The Commission simultaneously requests that the Court excuse the Commission of its  
18 obligation to notify defendants in advance of the application. *See* FED. R. CIV. P. 65(b); L.R. 65-  
19 1(b). The Commission did not notify defendants before filing its *ex parte* application for fear  
20 that Feathers might transfer investor funds out of defendants’ bank accounts.

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This application is supported by the Commission's memorandum of points and authorities, the declarations of Roger Boudreau and Susan F. Hannan, all materials attached to the declarations, the proposed orders lodged by the Commission and such other oral or written evidence as may be presented at the hearing.

DATED: June 21, 2012

Respectfully submitted,

/s/ John B. Bulgozdy  
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Susan F. Hannan  
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SECURITIES AND EXCHANGE COMMISSION